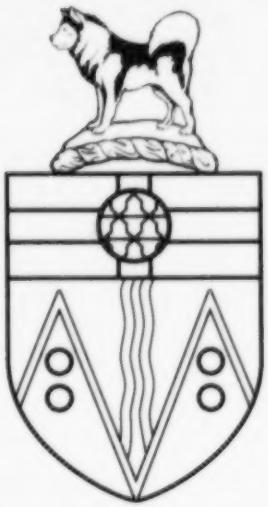
2009 2010

Budget Address

Yukon
Finance



Budget Address
2009 - 2010

presented by

Premier
Dennis Fentie

First session of the Thirty-Second
Yukon Legislative Assembly

Whitehorse, Yukon
March 19, 2009

Mr. Speaker, Honourable Members, it is a privilege today to table the 2009-2010 Budget, the third budget of our second mandate.

The 2009-2010 Budget has been constructed to meet our challenging economic times and is an investment in Yukon's future.

It is the largest budget in Yukon history and will exceed the $1 billion threshold.

The Government of Yukon's Capital and Operations and Maintenance Budget for 2009-2010 is $1 billion and $3 million.

The Operations and Maintenance Budget totals $762.6 million, of which $79.1 million is recoverable.

The Capital Budget total is $240.6 million, of which $90.2 million is recoverable.

This budget received a great deal of input from Yukon economic stakeholders and Yukoners generally.

It is designed to stimulate Yukon's private sector economy by investing in economic, social and public infrastructure that will keep Yukon's economy primed for the near term, while contributing to the territory's longer term economic prosperity.

While this is a record level of investment this government can assure Yukoners that we are not mortgaging Yukon's future. The 2009-2010 Budget will be our seventh consecutive year with a forecast surplus.

In our first mandate from 2002 to 2006, we helped restore the Yukon economy by focusing on diversification and building on our strategic industries.

Since taking office, we utilized our successive annual budgets strategically to stimulate the private sector economy.

That strategy worked.

Now, in the 2009-2010 Budget we are using that same strategy to maintain and build upon what we have already achieved.

PROMOTING A STRONG, DIVERSIFIED PRIVATE-SECTOR ECONOMY

Mr. Speaker, given our fiscal capacity and the growth experienced, the Yukon has many options to continue to build upon the successes of the recent past.

As we face the challenges of the global economic downturn our budget will make strategic investments in infrastructure and in people, maintaining a high level of stimulus in the territory.

In the tourism sector, one of the mainstays of the Yukon economy, our Minister is working hard to maintain and grow our tourism industry. Our government is taking strategic measures to increase our market share during these troubled global economic times.

We are investing an additional $500,000 toward Overseas Tourism Marketing in order to increase the awareness of Yukon as a destination of choice and promoting unique tourism experiences.

The additional funding is focused on generating measurable results from stimulating winter visitation in 2010, enhancing awareness among specific target audiences and increasing the inventory of marketable tourism services and products exposure in key growth markets.

Another initiative designed to promote visitations to the territory involves the Yukon Convention Bureau.

Our government is investing $100,000 toward attracting more meetings and conventions to the territory.

This initiative will help launch a sales-focused "Meetings, Conventions and Incentive Event Sales Campaign" in Canada, primarily in Ottawa, Metro Vancouver, Calgary and Edmonton.

The Yukon Convention Bureau will lead this initiative in collaboration and consultation with Yukon's tourism industry and TIAY.

Mr. Speaker, Yukon at the 2010 Olympic Games will be one of the largest marketing initiatives of the decade.

Our government and VANOC announced a partnership on September 12, 2008.

Under the Contributing Province/Territory Program (CPTP), our government allocated $167,000 for the "Own the Podium" Program, the Cultural Olympiad, staging the games, access to 60 Olympic sponsors, and the right to use some of the marks.

Our objectives in participating are several:

- Support Canada's Games;
- Generate international unpaid media coverage of Yukon;
- Showcase Yukon and Canada's North as a premier visitor destination;
- Sponsor Canada's North Weekend;
- Promote Yukon as a place in which to invest and do business;
- Celebrate Yukon First Nations culture;
- Foster opportunities for youth and sport development;
- Showcase our artists and performers to the world; and
- Nurture relationships and opportunities with Olympic sponsors.

Altogether, our government is investing $2.632 million to participate in the 2010 Vancouver Olympic and Paralympic Games.

Here at home, Tourism and Culture has worked with Carcross people to develop tourism opportunities and add attractions, facilities and community gathering places to the downtown core.

This year, $735,000 is being provided under the Canada Strategic Infrastructure Fund (CSIF) agreement to complete the public dock and boat launch, welcome signs and road and drainage works in Carcross.

Our government, through CSIF, will be investing $3.4 million to make improvements to the Whitehorse Waterfront, focusing on constructing the wharf and working with the Kwanlin Dun First Nation toward its Cultural Centre.

We are also working with the Champagne and Aishihik First Nations to construct a Cultural Centre in Haines Junction.

The mining sector is also critical to the Yukon economy. Our Minister, and the Department of Energy, Mines and Resources are playing their part in promoting mineral exploration and development in the territory.

The Department increased its investment to the Yukon Mining Incentive Program (YMIP) by $1.1 million, for a total allocation of $1.8 million in 2009-2010.

YMIP stimulates the discovery of new mineral occurrences and advances existing discoveries to a mature exploration stage. This investment, combined with current geoscience databases and a single regulatory process, positions Yukon to compete for investment in the mining sector.

Providing and improving infrastructure in support of mine development and exploration is underway across Yukon. Improving and upgrading road infrastructure improves access to Yukon's valuable natural resources.

Up to $500,000 per year for the next four years will be invested in the Resource Access Road Program to upgrade and improve access roads.

Creating economic stimulus by investing in transportation, communication and other public infrastructure provides employment in the short term and develops infrastructure to promote longer term economic growth.

The Department of Highways and Public Works will make major investments in each of these sectors.

In 2009-2010, $56.7 million will be invested in transportation infrastructure, representing a 13.8% increase over 2008-2009 expenditures – in dirt moving, road construction and bridge rehabilitation.

There will be an investment of $23.6 million in the Shakwak project including $14.25 million on the Slims River Bridge.

Another $10.58 million will be spent on further reconstruction of the Robert Campbell Highway. Also $2.9 million will be spent for the reconstruction of the Atlin Road.

An investment of $4.2 million will be made to upgrade the McClintock River Bridge.

Further highway infrastructure enhancements include the Klondike, North and South Canol, Alaska, and Dempster Highways.

On the communications front, another major project being undertaken is the $14.9 million Mobile Communications System (MoCS) to meet the long-term needs of emergency responders and other users of the existing system, including cell expansion to Ibex Valley and Lake Laberge.

Yukon airports are another important piece of Yukon's transportation system and our government will continue to invest in their improvement.

There will be an investment of $15.7 million in the Erik Nielsen Whitehorse International Airport building terminal expansion.

A total of $1.155 million will be provided for airport projects in Beaver Creek, Burwash, Old Crow, and Dawson City and Whitehorse.

On the Community Services front, our Minister responsible continues to work with Yukon municipalities on building sustainable communities.

It is this government's view that investment in community infrastructure is key to growing and promoting sustainable communities. Planned and strategic infrastructure development at the municipal level strengthens local job creation, and adds to the Yukon economy overall by developing an infrastructure system to promote economic growth.

In support of community development our government will once again be increasing the comprehensive municipal grant.

Under this grant, Whitehorse will receive $5.6 million; Dawson City - $1.4 million; Haines Junction - $957,139; Teslin - $1 million; Carmacks -$895,612; Faro - $1.5 million; Mayo - $1 million; and Watson Lake - $1.7 million.

Another critical underpinning to the growth of the private sector economy in Yukon is the supply of sustainable green energy. To that end, our Minister released the *Energy Strategy for Yukon* on January 23, 2009. The *Energy Strategy for Yukon* will set long-term direction and define short-term priorities for the Yukon government.

Our government is working with the Yukon Development Corporation, the Yukon Energy Corporation and the Yukon Electrical Company Limited to develop an improved approach to managing electricity generation and distribution, with the objectives of improving reliability, providing downward pressure on rates, and expanding the system to meet the needs of a growing economy.

This government continues to promote the development of a forest industry in Yukon. We are currently working towards the implementation of Yukon's new *Forest Resources Act* based on advice from Yukoners in a comprehensive consultation process.

The key feature of the new legislation is a new regime of current forest practices and tenure opportunities to support forest industries and protect diverse forest values.

Mr. Speaker, our government is also working to support the development of a profitable and sustainable Yukon agricultural industry.

Energy, Mines and Resources is allocating $987,000 for the "Growing Forward" initiative that includes $592,000 leveraged from Canada to address industry priorities and infrastructure that will improve access to markets.

Mr. Speaker, our Minister responsible for the Department of Economic Development continues to work with the Yukon business community and with other governments to support business development, trade and investment opportunities, and partnerships for the development of the Yukon economy.

The Department coordinates and facilitates the Yukon government's economic development agenda and markets Yukon as a great place to do business.

An example of this is the Department's continuing work with private and public partners in Asia to enhance business, trade and investment opportunities in Yukon.

As a result of this initiative, Yukon Zinc's Wolverine property was purchased by two Chinese companies. A 200 person camp is being established and approximately $240 million will be invested to bring the mine into production in the third quarter of 2010.

Further marketing of Yukon by the Department will occur at two signature events in May 2009 in Edmonton, Alberta; namely, 2009 Yukon Expo and Meet the North "Going Global".

These two events are focused on export-ready small- and medium-sized enterprises.

The theme for these events is "Yukoners on the world stage". The Department is currently working on a business development strategy that will identify and remove barriers to business development.

The Department of Economic Development will invest $3.210 million in funding programs to support business development and the diversification of the Yukon economy.

Mr. Speaker, $3.3 million is being provided for the very popular Community Development Fund (CDF).

Further, assisting Yukon First Nations to become full partners in the economic development of the territory is another initiative of the Department of Economic Development.

Valuable assistance to Yukon First Nations is provided in a range of areas from building capable institutions of governance and capacity development to opportunity identification and project selection.

The Yukon Film and Sound Commission continues to actively engage and support Yukon's film and sound industries.

Over the past year, the Commission supported the Northern Film and Video Industry Association to undertake a comprehensive film training program, as well as funding Showcase Yukon 2009.

Organized by Music Yukon, Showcase Yukon 2009 provided an opportunity for 16 musical acts to perform in front of national and international music buyers at the Yukon Arts Centre.

ACHIEVING A BETTER QUALITY OF LIFE

Mr. Speaker, I mentioned in the introduction to this speech that this budget is an investment in the economy, and an investment in people. Strong and healthy communities and a strong and healthy economy go hand in hand.

This government has a proven track record on investment on the "social side of the ledger".

We have worked to ensure that Yukon government is focused on achieving a better quality of life for Yukoners as we committed to do when elected to office.

We are fortunate to have a hard working Minister of Education who is bringing forward a number of new initiatives for 2009-2010.

One of the most important initiatives is to implement New Horizons which is the go forward process arising from the Education Reform Report.

This new process is designed to build community capacity and to develop a collaborative local response to educational issues and holistic lifelong learning.

As part of the implementation of New Horizons and in response to the Auditor General's report, the Department of Education is replacing the current student information system that has been used for the past 18 years with the British Columbia Enterprise Student Information System.

Once implemented this information system will provide current, accurate and historical student information that allows for informed decision-making by educational leaders for Yukon students across all curriculum areas in Yukon education.

The Department has also established a new Leaders in Education/Innovation Fund of $75,000 to provide financial support to innovative educators by investing in projects, led by teachers and community-based teams, which can then be shared with other schools.

This fund will also support the enhancement of the School Growth Planning Process that makes innovative education projects proposed by teachers, administrators, school boards, councils and committees eligible for funding.

Another education initiative is the $150,000 Early Years Transition Learning program targeting pre-kindergarten to grade 3 students to help reduce the performance gap in both First Nation and other Yukon children.

An equal amount of funding is being provided to implement a Curriculum and Special Programs Training initiative to provide training for counselors, learning assistants and education assistants in dealing with the socio-emotional well-being of vulnerable students.

A further $140,000 has been designated for an Assistive Technology Software and related training program to provide support for special needs students.

The Department of Education has established a Student Advisory Council to provide a forum for students to offer their perspectives about our school system and give Yukon youth a voice in their education.

Of special interest is the introduction of a new bi-cultural program at the St. Elias Community School in Haines Junction.

Our government and the Champagne and Aishihik First Nations have signed a Memorandum of Understanding to introduce this new program that aims to connect elementary school children with the Southern Tutchone language.

At the high school level, $400,000 has been set aside to commence planning on the program and design needs of a new high school to replace the F.H. Collins Secondary School.

The new high school will be designed to take advantage of the program opportunities outlined in the Secondary Program Review.

Our government will also be providing $100,000 for Yukon College to market the College as a desirable choice for Yukoners and to attract students from the rest of Canada and internationally.

The Advanced Education Branch has a number of initiatives implementing our election commitment of "educating today for jobs tomorrow" in order to meet the demand for both skilled and entry-level workers.

The Targeted Initiative for Older Workers Program has been extended for three years to help older workers between the ages of 55 and 64.

Funding of $286,000 is being made available under this program for projects to improve the employability of older workers by assisting them through activities such as prior learning assessment, skills upgrading, and experience in new fields of work.

Our government is continuing to make progress on its Labour Market Framework for Yukon.

Four labour market strategies are being developed by multi-stakeholder working groups:

- Comprehensive Skills and Trades Training;
- Immigration;
- Retention; and
- Labour Market Information.

Funding of $210,000 is being provided in 2009-2010 to carry out this important initiative.

It should be noted that the Government of Yukon's Immigration Portal was officially launched in May 2008 and now provides information and links for prospective immigrants; information and forms for the Yukon Nominee Program; and promotes Yukon as a destination of choice.

Each month, thousands of visitors view the site to learn more about Yukon and what it has to offer newcomers.

This budget also supports community training. Funding of $1.5 million is distributed annually, based on proposals to partner with non-government organizations, First Nations, economic sectors, Yukon College and community-based organizations in providing employment training.

Mr. Speaker, the Minister of Health and Social Services plays a key role in contributing to a better quality of life for all Yukoners.

To meet the needs of Yukoners, in that regard, this government has increased the Health and Social Services budget by approximately $20 million.

The Minister and the Department of Health and Social Services are undertaking a number of new initiatives in partnership with the Whitehorse General Hospital.

The Teleradiology initiative is a three-year project that began in 2008-2009 and has a projected total cost of $3.5 million in Capital and a $924,000 O&M commitment over four years.

Community Nursing is in the process of replacing the existing manual processing of x-rays with digital x-ray processing in all rural health care facilities.

The Whitehorse General Hospital is coordinating this project in conjunction with improvements to their digital imaging program.

X-ray views will be processed in all rural communities and forwarded electronically to a radiologist in Edmonton for interpretation, with a report returned within a very short period of time.

Another joint venture with the Whitehorse General Hospital (WGH) is centralized lab services for communicable disease control.

All lab services for communicable diseases will now be managed by WGH, making lab results more readily available to health care providers.

Further, our government will be investing in enhancing health care services in the communities of Watson Lake and Dawson City.

Mr. Speaker, $1.8 million is being provided for the replacement of the Children's Receiving Home in Whitehorse.

The existing building will be replaced by a smaller home that will house up to six male youth, while female youth will be located in another renovated building.

Mr. Speaker, one of our election platform commitments was to "continue to ensure that seniors and elders are able to remain in their home as long as possible by increasing Home Care and other services."

With the support of Canada Health Infoway, Yukon Home Care is implementing a new Telehome care program that provides the tools for staff to better engage their clients in planning their care, collect important data to assist individual clinical care planning and provide better information for planning future services.

With the new technology, assessments and care planning will be completed at home with more input from the Home Care clients themselves.

Mr. Speaker, all of these new initiatives by Health and Social Services will serve to augment Yukon's already impressive health and social safety net.

At the same time, Health and Social Services is continuing to enhance its ongoing programs and services.

As part of the Health Human Resources Strategy, Yukon is sending nurses to the Aurora College in Yellowknife to take the "Introduction to Advanced Practice" (IAP) program.

We are expanding the nurse mentorship program to include Licensed Practical Nurses.

Both of these initiatives contribute to improving recruitment and retention of nurses for Yukon.

The Department of Health and Social Services is implementing a number of different initiatives under the Territorial Health Access Fund (THAF).

One of the most successful has been the 811 Yukon HealthLine.

In 2009-2010, an additional $200,000 will be invested in this service and will include a new dial-a-dietician feature.

Other THAF initiatives include:

- $50,000 for the development of a Nutrition Framework and Strategy to improve the understanding, awareness, education and practice of healthy eating;
- $41,000 for a "Drop the Pop" awareness campaign to improve the consumption habits of youth by encouraging the replacement of pop with other healthy choices;
- $275,000 for an Injury Prevention Initiative to analyze emergency room visits to inform the development of targeted injury prevention activities throughout the Yukon; and
- $262,000 for a Rural Community Dental Health Initiative to encourage and support regular visits of dentists to rural communities.

Mr. Speaker, there is also a pan-northern approach to sustaining health care.

Under the Territorial Health System Sustainability Initiative, Yukon is leading an overall pan-territorial mass media collaboration with the Northwest Territories and Nunavut.

The three territories are sharing an investment of $865,000 to produce four awareness and education campaigns aimed at:

- Smoking;
- FASD prevention;
- Prevention of elder abuse; and
- Sexual health.

There is also an Oral Health Pilot Project as part of this pan-territorial initiative, targeting clients from birth to five years of age and their parents or caregivers, to improve the oral health of chiidren across the North.

In Yukon, the program consists of monthly pre-school clinics, educational programs for parents, brushing programs at daycares, and the application of fluoride varnish to improve dental health.

To date, a total of 554 children and infants have been seen under this program.

Our government is also utilizing another fund, the Wait Time Trust Fund, to improve services to Yukoners, including:

- A $50,000 contribution to WGH for echocardiology to upgrade its sound equipment;
- $245,000 for mammography to extend service hours to weekends and evenings, increasing accessibility and reducing wait times; and
- $194,000 for knee replacement surgery, doubling the number of surgeries that can be completed locally in a year from 12 to 24.

In 2009 – 2010, $698,000 will be allocated to support a Patient Wait Times Pilot Project to test the feasibility of providing Yukon patients with access and recourse to a wider range of choice in service providers and service locations for cancer care, cardiac care, orthopaedic surgery and sight restoration.

As part of this pilot project, three new positions are being created to enhance access to medical services for Yukoners: a Cancer Care Navigator; a Total Joint Replacement Navigator; and a Travel Recourse Administrator.

Mr. Speaker, water and food safety are cornerstones of Public Health.

Health and Social Services is providing $108,000 to employ an additional Environmental Health Officer to monitor and address food and waterborne threats and illnesses, a job that is becoming increasingly complex due to more rigorous guidelines for drinking water quality and the global production and distribution of food.

Mr. Speaker, children are Yukon's future and our government continues to focus on their health and well-being.

Staffing for Family and Children's Services has been increased by $424,000 to enhance the quality of services, including a child welfare specialist, a staff development coordinator and mobile youth probation officer for rural communities and two new adoption workers.

Our government is also assisting the Child Development Centre with an additional $100,000 to hire a psychologist to provide services to children with special needs.

The Child Care Subsidy program, which supports the affordability of child care spaces, has increased by $176,000.

Other child care initiatives include support for increasing child care worker wages, supports to children with special needs and training to increase the quality of care provided to children.

For Yukon seniors, our government is providing a $612,000 increase for the Yukon Seniors' Income Supplement which will be indexed for the future.

As part of our reform of Social Assistance, items of basic need are now being indexed each fall to the Canadian Consumer Price Index.

In this budget, $2.08 million is being allocated to cover the increase, including the recent raise in the food benefit that increases the food allowance by 15% for singles, 10% for couples, and 5% for three-person families.

Mr. Speaker, the major initiative being undertaken by the Minister responsible for the Department of Justice is the Corrections Infrastructure Project, which will see the replacement of the Whitehorse Correctional Centre (WCC) with the construction of a new corrections facility.

The Corrections Consultation Action Plan identified how corrections should look in the Yukon, and part of that was a new facility to support this Plan.

In response to the findings in the Corrections Reform process, this new facility will be built in conjunction with a treatment centre that will be available to those in need.

In 2009-2010, $21.6 million is being invested in this project.

To continue with the implementation of correctional reform, $569,000 is being provided for the ongoing operation of the Corrections Action Plan Implementation Office.

In order to meet the immediate needs of female inmates at WCC, our government is allocating $719,000 in 2009-2010 to begin construction this spring of the Women's Transition Living Unit.

The Department of Justice will receive $321,000 to implement a new initiative, the Correctional Officer Living Unit Training which provides specialized training to supervise inmates in the Living Unit Model.

This model introduces a significant change in the way corrections staff will work with and supervise inmates.

In conjunction with the Department of Health and Social Services, the Department of Justice has established a Community Wellness Court, a therapeutic court, which provides a comprehensive approach to meeting the needs of offenders in order to reduce recidivism.

Justice is providing $575,000 to implement this initiative with Health and Social Services adding another $96,000 for a full-time Alcohol and Drug Services addictions counselor for the court.

Another joint initiative with Health and Social Services is the Journey Far Carver Program that is aimed at youth at risk.

The program has been shown to have a positive impact on the artistic growth, employability and business development skills and personal wellness of participants.

The Department of Justice is also working with the Carcross-Tagish First Nation on the Southern Lakes Justice Development project, with $168,000 in funding from the Northern Strategy to redefine the ways that justice is administered in the community of Carcross.

Mr. Speaker, the Safer Communities and Neighbourhoods (SCAN) office has been very successful, and an additional $178,000 has been set aside in this budget for equipment and a part-time SCAN investigator, as well as for a full-time Director of Policing and Investigations in the interest of public safety.

A further $300,000 is being made available for a new Court Registry Information System that will improve treatment and management of offenders.

Mr. Speaker, our government, through the Women's Directorate, is placing increased emphasis and resources on the prevention of violence against women.

The Prevention of Violence Against Aboriginal Women Fund was established by our government in 2004 to support projects designed and developed by aboriginal women for their communities.

In 2009-2010, we are doubling the funding available to this valuable initiative for a total of $200,000.

This increase in funding will address recommendations of the Yukon Aboriginal Women's, and the National Aboriginal Women's Summits.

Mr. Speaker, the Yukon Housing Corporation, together with the Women's Directorate, is building a new 30-unit social housing complex, known as the Whitehorse Affordable Family Housing Project.

This estimated $11 million innovative housing initiative, to be built to Super Green standards, will meet the growing demand for affordable housing for lone-parent families.

Design work has now begun and site preparation is expected to start this summer, with construction continuing throughout 2009 and 2010.

To address the needs of seniors, the Yukon Housing Corporation is also constructing a 12-unit seniors housing complex in Watson Lake and work is underway for a similar complex in Teslin.

Mr. Speaker, the initiatives of the Department of Community Services contribute significantly to providing a better quality of life for Yukoners by investing in emergency response, initiatives to reduce fire hazard, access to safe drinking water, and environmentally sound solid waste management.

FireSmart funding has increased from $1 million to $1.5 million in 2009-2010 to significantly increase FireSmart activities directed at reducing the threat of wildfires in communities by minimizing flammable materials in high-risk areas.

This increase in funding will also serve to strengthen local economies by increasing winter employment opportunities.

In 2008, the FireSmart program created 28 projects and 39,000 hours of employment for Yukoners.

This government will invest $150,000 toward replacing operational equipment for Wildland Fire Management.

We will invest $775,000 in emergency response vehicles for Protective Services to enhance emergency response throughout the Yukon.

Purchases for 2009-2010 include one new fire truck for the Ross River Volunteer Fire Department, one new multi-purpose fire management vehicle for Mayo to provide initial response to wildland fires and other emergencies, and two new ambulances to maintain a reliable Yukon-wide ambulance fleet.

Emergency Measures is also receiving $45,000 to purchase a new river rescue boat for use by the Dawson Search and Rescue Association.

Emergency Medical Services and the Vuntut Gwitchin First Nation are working cooperatively to provide basic emergency medical responder training to members of the First Nation government and Old Crow community, so they are better equipped to deal with emergency situations.

A new fire hall is under construction in Golden Horn, with construction completion expected this spring.

The Department of Community Services has a number of initiatives addressing water treatment including:

- allocating $25,000 to complete a Water Operators Training Program at Yukon College to help ensure safe drinking water is available and to certify water handlers and operators in the communities;
- investing in potable water supplies and systems to improve water quality and supply;
- building a full-scale water treatment facility in Ross River;
- improving the physical water infrastructure and service in Carcross;
- building full scale water treatment facilities for the Champagne and Aishihik First Nations and for Haines Junction and Teslin.

Total cost for the arsenic treatment upgrades will be $4.5 million, with $750,000 being allocated for 2009-2010.

This year, Community Services is providing $2.4 million to complete the final design and construction of a water treatment system at Army Beach.

Two hundred and fifty thousand dollars is being provided for a water well in Old Crow and a potable water well is also being installed at the Haines Junction Initial Attack Base to replace the need for trucked-in water at a cost of $70,000.

Community Services is also allocating $250,000 in 2009-2010 for Carcross sewage treatment and disposal.

This funding for the Carcross facility will provide design and construction of sludge drying beds that will also serve other facilities, such as the Marsh Lake lagoon.

The Department, in consultation with municipalities, is developing a Yukon-wide Solid Waste Strategy for environmentally sustainable solid waste management practices by conducting a full review and options study for the 20 solid waste facilities the Yukon government operates in unincorporated communities.

Five hundred thousand dollars is being provided to develop this strategy.

Construction of the $5.5 million Carmacks Wastewater Treatment System is underway, with completion scheduled for this year.

Three million dollars is initially being made available for the selection and construction of an appropriate option for treatment of Dawson's sewage.

Mr. Speaker, the availability of land to establish homes is an important factor in the quality of life for Yukoners.

This government has initiated several large land development projects in rural Yukon with an investment of $10.45 million.

These land developments include $2 million for Dawson for industrial and country residential lots; $2.75 million for Haines Junction for urban residential and country residential lots; $4.7 million for recreation lots in Grizzly Valley; $500,000 for rural residential lot development in Mount Lorne; and $500,000 for recreation lots Yukon-wide.

In Whitehorse, $8.2 million is being allocated to develop 132 residential lots in Arkell and $10 million has been budgeted for engineering and design of off-site utilities and services for the Whistle Bend subdivision.

For municipal infrastructure support in the Whitehorse area, Yukon and Canada have approved $2.533 million under the Municipal Rural Infrastructure Fund for water, sewer and road upgrades in Takhini North.

A further $1.75 million has been allocated for the Hamilton Boulevard extension, which is slated to be open to motorists this summer.

For the citizens of Dawson City, their member of the Legislative Assembly continues to work hard on their behalf.

Our government remains committed to ensuring the Dawson City Recreation Centre remains functional.

Over the next five years, Community Services will provide Dawson City with funding and technical expertise, as requested, for structural repairs to make the building safe and usable, for a total contribution of $4 million.

A further $3.5 million has been invested in Dawson City to upgrade Front Street.

For the citizens of Teslin, to ensure the community can continue to enjoy the benefits of a public library, we will be moving the Teslin Library into a newly renovated space in April 2009.

The development of arts and culture in the territory also contributes significantly to the quality of life for Yukoners.

Mr. Speaker, the Department of Tourism and Culture plays a key role in this area.

Tourism and Culture has initiated a three-year lease and funding arrangement with the Whitehorse Chamber of Commerce and the Yukon Arts Centre Corporation to utilize the Old Fire Hall in downtown Whitehorse as a venue for community and artistic events.

Tourism and Culture will invest $100,000 in the Touring Artist Fund, which enables Yukon artists to market their creative endeavours outside the territory.

This Fund provides assistance to Yukon artists, ensembles and companies creating and producing work in theatre, dance, music, visual arts, film, storytelling, and literature. It provides applicants with assistance to present their work to the public at national or international exhibitions, concerts, festivals and showcases.

Many Yukon artists are ambassadors for Yukon. While sharing their artistic talents abroad they are promoting Yukon as a tourism destination.

Further, investments in the Decade of Sport and Culture initiative and the Culture Quest program allows for many artistic groups to participate in the Cultural Olympiad, part of the 2010 Winter Olympics in Vancouver.

The 2010 Games represent a tremendous opportunity to showcase Yukon as a wonderful place to live, invest in and work.

PROTECTING AND PRESERVING OUR ENVIRONMENT AND WILDLIFE

Mr. Speaker, part of what makes the Yukon a wonderful place to live and work, is our natural environment.

We are fortunate to live in an area of the world that has such natural beauty.

Protecting and preserving our environment and wildlife while adapting to and mitigating the impacts of climate change are of paramount importance to our government.

We released the Yukon Climate Change Strategy in the fall of 2006 and the Climate Change Action Plan on February 12, 2009.

The Climate Change Action Plan builds upon the goals of the Climate Change Strategy and identifies 33 priority actions to be implemented.

Implementation of the Action Plan will involve all departments and agencies of the Yukon government.

The 2009-2010 Budget includes an additional allocation of $450,000 to establish a Climate Change Secretariat to oversee the effective implementation of the Action Plan and to provide government-wide leadership and coordination on the Yukon government's response.

Mr. Speaker, many actions are already underway.

Over the last number of years, our government has undertaken, or is in the midst of implementing, more than 80 projects and policies to address climate change.

In the area for adaptation, work is being undertaken to test different road surfaces in order to determine strategies for the reduction of permafrost degradation on highways.

Our government is providing support to study climate change impacts on major watersheds, such as the Yukon River, through the use of traditional knowledge, as well as scientific monitoring.

The Department of Energy, Mines and Resources is conducting a forest health risk assessment.

The Department of Environment will continue to invest in Yukon's fish and wildlife inventories, which will help us manage our resources in a balanced and sustainable way.

Mr. Speaker, the Yukon Cold Climate Innovation Centre (YCCIC), which our government supports, is dedicated to creating commercial solutions to cold climate issues affecting northerners.

The Centre has established a presence at Yukon College, in conjunction with the Climate Change Research Centre of Excellence, and has reached an agreement with the University of Alberta to work together on pan-northern research.

Mr. Speaker, the Yukon Housing Corporation is also a major contributor to green energy initiatives.

It offers a range of programs and funding options, all designed to enhance home energy efficiency, increase affordability over the long term, and reduce negative environmental impacts.

Our government is working to reduce greenhouse gas emissions through energy efficiency, conservation, and the use of renewable energy.

For this reason, the Climate Change Action Plan and the *Energy Strategy for Yukon* were developed in concert.

Our government has been working to lower Yukon's carbon footprint by increasing our capacity for hydroelectric generation.

The Energy Solutions Centre within the Department of Energy, Mines and Resources is allocating $150,000 through the Good Energy Program to help Yukoners lower their energy costs and supporting the move to energy-efficient products by providing $100 to $500 in cash rebates on a wide range of energy-efficient products.

This year's enhanced program includes rebates for grey water heat recovery systems.

We are continuing to expand hydro-generated power, as opposed to diesel-generated power, and in so doing will be able to displace thousands of tonnes of greenhouse gases each year.

The extension of the Whitehorse-Aishihik-Faro (WAF) grid to Pelly Crossing and the Minto Mine, taking both off diesel, reduced Yukon's greenhouse gas emissions by 24,100 tonnes.

With respect to contaminated sites Mr. Speaker, the Department of Environment is providing an additional $200,000 for an enhanced program to assess and remediate these sites.

The Site Assessment and Remediation Unit was established in 2008 to manage Yukon government-owned contaminated sites and was set up in response to recommendations by the Auditor General of Canada for the Yukon government to create a contaminated sites liabilities policy and a clean-up program.

Mr. Speaker, with respect to contaminated sites, which are a federal responsibility, the abandonment and reclamation of the Faro Mine is one of the foremost and formidable environmental challenges facing the territory.

Our government has reached a consensus with Canada and affected First Nations on a preferred closure option for the Faro Mine that will maximize local job opportunities and is estimated to cost $30 million per year for the 15-year construction phase and another $10 million per year for the 15-year period of adjustment.

Mr. Speaker, the Yukon government took over management responsibility for care and maintenance of the Faro Mine complex at the beginning of this month.

Total federal funding in the amount of $19.07 million for Type II sites in Faro is being provided under the Federal Contaminated Sites Action Plan.

With respect to wildlife, the Department of Environment is providing $319,000 to establish a new comprehensive animal health program to support interdepartmental integration and coordination of animal health and animal welfare functions and support services within the Yukon government.

The preservation and protection of the Porcupine Caribou herd remains of paramount concern to our government, and we continue to provide $50,000 to the Vuntut Gwitchin government to support the lobby efforts related to ANWR and its impact on the herd.

The Department of Environment is investing $206,000 to support the Yukon Wildlife Preserve and upgrade the infrastructure, including the double fencing on the perimeter of the complex in order to protect the health of wildlife both within and outside the preserve.

The Yukon Wildlife Preserve will receive operational funding of $600,000 in 2009-2010.

Mr. Speaker, the humane treatment of domestic animals is another important commitment by our government.

To this end, we have agreed to work with stakeholders to review and modernize legislation pertaining to domestic animal control and protection.

Last fall, our government improved the *Animal Protection Act*, and consequently Community Services has hired an Animal Welfare Officer to develop and deliver education, awareness and enforcement initiatives to help prevent animal abuse and encourage the humane treatment of animals throughout the territory.

An amount of $240,000 has been provided to implement this initiative.

Mr. Speaker, "Supporting Recycling" is also in our election platform.

The Department of Environment is providing $250,000 to assist community-based recycling centres with their operations in order to support public recycling efforts, to divert from landfills and promote the re-using concept.

This increase in program funding will help the centres meet increased costs that have occurred in view of the recent changes in the world's economy that have reduced the market for recyclable goods.

PRACTICING GOOD GOVERNMENT

Mr. Speaker, throughout this speech I have referenced the current global economic climate.

On the economic front, we are living in unprecedented times globally, nationally and regionally.

These economic impacts are being experienced world wide and have called upon public governments at all levels to take action to reduce the impacts.

This government has managed the fiscal resources of Yukon strategically and as a result we are in a positive position to manage our way through this current economic cycle.

In that regard, we have brought forward a budget that is strategic and focused on creating economic stimulus in the territory. We have balanced that investment with initiatives that continue to develop the quality of life for Yukoners and to protect and preserve our environment.

Within Yukon, we will continue to engage Yukon economic stakeholders through our internal Deputy Minister Committee on the economy. We will also continue to provide oversight on infrastructure projects through a Deputy Minister Committee to ensure maximum benefit to Yukoners.

At the national level, we will continue to participate on committees struck by the federal Minister of Finance to provide input on federal funding initiatives to ensure appropriate and ongoing federal investment in Yukon.

On the healthcare front, we are taking proactive measures to find solutions to deal with the challenge of rapidly escalating health care costs.

We commissioned a report, *The Yukon Health Care Review*, which examined the current and long-term sustainability of our health care system over the next 10 years.

The report is now being taken out to the general public, stakeholders and First Nation and municipal governments for comment and review.

Our government will be utilizing the findings of *The Yukon Health Care Review* report to develop a business case to present to the federal government for the continuation or replacement of funds, such as the Territorial Health Access Fund, a Fund designed to meet the unique health care needs and challenges of the north.

To meet the energy needs of Yukoners, we are proactively developing green energy initiatives in Yukon to support resource development and to provide Yukoners with more cost effective energy sources.

One such area is the generation of hydroelectric power.

We are working toward the extension of the WAF grid from Pelly Crossing to Stewart Crossing and the upgrading of the Mayo Dam, known as Mayo B, to provide 40 GWh/yr of green hydro power to be developed in partnership with the federal government and First Nations.

The Yukon Energy Corporation already has undertaken a YESAB review for the line extension and has now submitted a *YESAA* application for the upgrading of the Mayo Dam site itself.

Mr. Speaker, all Yukoners will benefit from this development.

To further enhance the practice of good government, we will continue to invest in capacity development within the public service. This involves training, developing, recruiting and retaining a representative professional public service working within a safe and healthy workplace that is responsive to the general public.

The Yukon government has committed a total of $113,000 over two years for the implementation of a new Corporate Health and Safety initiative to create a health and safety leadership system government-wide.

We will invest $341,000 annually for three years for program support to employees addressing substance abuse issues.

With respect to partnerships with First Nation governments, we will work actively to assist Self-Governing First Nations to secure the renewal of responsible Fiscal Transfer Agreements with Canada in support of First Nation governance in this territory.

We will also continue to assist Yukon First Nations in developing and enhancing capacity within their public service.

Mr. Speaker, practicing good government also means meeting our government's obligations to Yukon's francophone community.

The French Language Services Directorate (FLSD) is continuing to increase our government's capacity to deliver French language services.

The Yukon government signed an agreement with the Public Service Commission of Canada that provides a linguistic assessment of our employees in relation to their progress in French language training, as well as an objective assessment of linguistic skills required for staffing bilingual positions.

CONCLUSION

In conclusion, Mr. Speaker, we are confident as a government that the budget we have brought forward represents responsible fiscal management while providing necessary economic stimulus.

It represents the input of Yukoners and as such contains measures to improve the quality of life of Yukoners and balance economic development with the preservation and protection of our natural environment.

We committed to Yukoners that we would build a bright future for Yukon. We have demonstrated the necessary leadership through responsible fiscal planning to deliver on that commitment.

Our efforts have positioned Yukon positively, to weather the current global economic cycle, and through our strategic investments, to promote long term future economic growth.

Mr. Speaker, I am honoured to commend this budget to all members of this House on behalf of the Yukon Party government.

HIGHLIGHTS OF 2009-2010 BUDGET INITIATIVES

ECONOMY

- $1.8 million for the Yukon Mining Incentive Program (YMIP)
- Implementation of new Fish Habitat Management System for Yukon placer mining
- Streamlined and modernized administration of mining claims
- Implementation of Energy Strategy for Yukon that addresses priority energy issues
- Ensuring Yukon is "pipeline ready" for both the Alaska Highway Pipeline and the Mackenzie Gas Project
- $987,000 for the "Growing Forward" initiative to support agricultural industry
- Streamlined the land management system to improve disposition of land to Yukoners
- $500,000 additional funding for Overseas Tourism Marketing and a further $100,000 to host more meetings and conventions in Yukon
- $2.632 million to participate in the 2010 Vancouver Olympic and Paralympic Games
- $3.4 million for Whitehorse Waterfront development and $735,000 for the Carcross Waterfront
- Support for construction of Kwanlin Dun First Nation Cultural Centre on Whitehorse Waterfront and Champagne and Aishihik First Nations Cultural Centre at Haines Junction
- $56.7 million investment in transportation infrastructure, representing a 13.8% increase over 2008-2009, for work on the Campbell Highway, Shakwak Project and Atlin Road
- $15.7 million for expansion of Erik Nielsen Whitehorse International Airport terminal building
- $14.9 million for the Mobile Communications System, including cell phone expansion to Ibex Valley and Lake Laberge
- Marketing initiatives in China have led to the purchase of Yukon Zinc's Wolverine Project by two Chinese companies that plan to invest $240 million in the mine for production in third quarter of 2010
- $3.3 million for the Community Development Fund (CDF)
- $3.21 million is available through Economic Development's funding programs to support the diversification of the Yukon economy

BETTER QUALITY OF LIFE

- Implementation of the "New Horizons" multi-year education strategy flowing from the Education Reform Report
- $75,000 to establish Leaders in Education/Innovation Fund
- $150,000 Early Years Transition Learning program targeting pre-kindergarten to grade 3 students to help reduce performance gap in both First Nation and other Yukon children
- Established a Student Advisory Council to give youth a voice in their education
- $400,000 to plan for replacement of F.H. Collins
- $286,000 for Targeted Initiative for Older Workers Program
- $210,000 for Labour Market Framework strategies for: Comprehensive Skills and Trades Training, Immigration, Retention, and Labour Market Information
- $1.5 million for Community Training Funds
- $3.5 million Capital and $924,000 O&M for four years to implement Teleradiology initiative to improve x-ray services for all rural Yukon communities
- Transfer of the management of Watson Lake Hospital to the Yukon Hospital Corporation
- $1 million to begin construction of new Health Centre in Dawson City
- $1.8 million for a new "super green" replacement for the Children's Receiving Home in Whitehorse
- $200,000 for the very successful 811 – Yukon HealthLine
- $108,000 for an additional Environmental Health Officer to monitor and address food and waterborne threats and illnesses
- $100,000 for a psychologist for the Child Development Centre
- $176,000 increase in Child Care Subsidy program
- $612,000 increase for the Yukon Seniors Income Supplement
- $2.08 million increase for Social Assistance program, including the recent raise in the food benefit
- $21.6 million for construction of a new Corrections Facility to replace the Whitehorse Correctional Centre (WCC) to be built in conjunction with a new Treatment Centre
- $719,000 to begin construction of Women's Transition Living Unit for female inmates of WCC
- $575,000 for the Community Wellness Court, plus an additional $96,000 for a full-time Alcohol and Drug Services addiction counselor for the court
- Continuing to fund the Journey Far Carver Program aimed at youth at risk
- $178,000 to improve services of the very successful Safer Communities and Neighbourhoods (SCAN) office

- $300,000 for a new Court Registry Information System to improve treatment and management of offenders
- $200,000 for the Prevention of Violence Against Aboriginal Women program
- Construction of an estimated $11 million, 30-unit Whitehorse Affordable Family Housing Project
- Construction of a 12-unit seniors housing complex in Watson Lake and another in Teslin
- $10.45 million for land development in rural Yukon and $18.2 million for Whitehorse
- $2.533 million for water, sewer and road upgrade in Takhini North
- $1.75 million to complete Hamilton Boulevard extension

ENVIRONMENT

- $450,000 to establish a Climate Change Secretariat to oversee implementation of the Climate Change Action Plan
- Establishment of Climate Change Research Centre of Excellence at Yukon College, in conjunction with the Yukon Cold Climate Innovation Centre (YCCIC)
- $150,000 for the Good Energy Program to help Yukoners lower their energy costs by purchasing energy efficient products
- Improved water treatment: $2.5 million for Ross River; $2.4 million for Marsh Lake; and $1.5 million for Carcross
- $5.5 million for Carmacks Wastewater Treatment System
- Reached a consensus with Canada and affected First Nations on a preferred closure option for the Faro Mine that will maximize local job opportunities and will cost $30 million per year for the 15-year construction phase and another $10 million per year for the 15-year period of adjustment
- $3 million for selection and planning of appropriate option for treatment of Dawson sewage
- $319,000 for Animal Health Program
- $50,000 to VGFN for protection of Po cupine Caribou herd
- $240,000 for Animal Welfare Officer
- $250,000 to assist community-based recycling centres

GOOD GOVERNMENT

- $1 billion and $3 million budget, the largest ever, with the 7th consecutive year-end budget surplus
- Budget designed with input from Yukoners to stimulate the private sector economy by investing in economic, social and public infrastructure that will improve Yukoners' quality of life and balance economic development with the protection and preservation of the natural environment
- Health Care Review Steering Committee to engage Yukoners in a dialogue on the findings and recommendations of the Yukon Health Care Review which examined the current and long-term sustainability over the next 10 years
- $40 million for extension of Whitehorse-Aishihik-Faro electrical grid from Pelly Crossing to Stewart Crossing
- $120 million to upgrade Mayo dam, Mayo B, to provide an additional 40 GWh of green energy
- $4.25 million for 3rd turbine at Aishihik dam
- $275,000 for hosting Western Premiers Conference
- $341,000 annually over three years for Substance Abuse Program for Yukon government employees
- Comprehensive evaluation of French language services 2004 to 2009

GOVERNMENT OF YUKON
PROJECTIONS ($000s)

	2008-09 Supplementary Forecast	2009-10 Main Estimate	2010-11 Projected Estimate	2011-12 Projected Estimate	2012-13 Projected Estimate
REVENUE:					
Territorial Revenue	$ 114,781	$ 109,548	$ 114,121	$ 117,604	$ 120,838
Transfers from Canada	639,777	682,915	697,000	720,307	745,356
Net Loan Interest	256	206	174	155	140
TOTAL REVENUE	$ 754,814	$ 792,669	$ 811,295	$ 838,066	$ 866,334
LESS NET EXPENDITURES:					
Net Operation and Maintenance Expenditures	$ 668,315	$ 683,466	$ 684,436	$ 712,983	$ 740,787
Net Capital Expenditures	133,637	150,332	150,000	150,000	150,000
TOTAL NET EXPENDITURES	$ 801,952	$ 833,798	$ 834,436	$ 862,983	$ 890,787
Plus: Effect of change in tangible capital assets	$ 16,348	$ 48,674	$ 23,596	$ 22,510	$ 21,470
Plus: Adjustments (lapses and revotes)	33,411	11,843	9,169	9,497	9,560
SURPLUS (DEFICIT) FOR THE YEAR	$ 2,621	$ 19,388	$ 9,624	$ 7,090	$ 6,577
NET FINANCIAL RESOURCES					
Net Financial Resources, Beginning of the Year	$ 165,084	$ 151,357	$ 122,071	$ 108,099	$ 92,679
Plus: Surplus (Deficit) for the Year	2,621	19,388	9,624	7,090	6,577
Less: Effect of change in tangible capital assets	(16,348)	(48,674)	(23,596)	(22,510)	(21,470)
Net Financial Resources, End of the Year (A)	$ 151,357	$ 122,071	$ 108,099	$ 92,679	$ 77,786
NON-FINANCIAL ASSETS					
Net Opening Balance, Beginning of the Year	$ 412,125	$ 428,473	$ 477,147	$ 500,743	$ 523,253
Plus: Effect of change in tangible capital assets	16,348	48,674	23,596	22,510	21,470
Non-Financial Assets, End of the Year (B)	$ 428,473	$ 477,147	$ 500,743	$ 523,253	$ 544,723
ACCUMULATED SURPLUS (A + B)	$ 579,830	$ 599,218	$ 608,842	$ 615,932	$ 622,509

FINANCIAL INFORMATION

2009-10

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FINANCIAL SUMMARY [1]
($000s)

	2009-10 ESTIMATE	2008-09 FORECAST	% CHANGE	2007-08 ACTUAL
Surplus (Deficit) for the Year				
Revenue:				
Territorial Revenue	**109,548**	114,781	-5%	104,486
Recoveries	**169,639**	159,165	7%	128,016
Transfers from Canada	**682,915**	639,777	7%	621,947
Total Revenue	**962,102**	913,723	5%	854,449
Less Expenses:				
Operation and Maintenance Expenditures	**762,613**	734,045	4%	667,819
Capital Expenditures	**240,618**	226,816	6%	161,450
Loan Interest	**0**	0	0%	77
Total Expenses	**1,003,231**	960,861	4%	829,346
Adjustments:				
Plus: Effect of change in tangible capital assets	**48,674**	16,348		2,326
Plus: Lapses net of revotes	**11,843**	33,411		0
Plus: Retirement benefits plan amendment	**0**	0		9,619
Plus: Items transferred to Balance Sheet	**0**	0		(4,341)
Plus: Net profit restricted funds	**0**	0		658
Plus: Recoveries of prior years' expenditures	**0**	0		1,190
Surplus (Deficit) for the Year	**19,388**	2,621		34,555
Net Financial Resources				
Net financial resources, beginning of the year	**151,357**	165,084		132,046
Surplus (Deficit) for the year	**19,388**	2,621		34,555
Effect of change in tangible capital assets [2]	**(48,674)**	(16,348)		(1,377)
Effect of change in other non-financial assets	**0**	0		(140)
Net financial resources, end of the year (A)	**122,071**	151,357		165,084
Non-financial assets				
Net opening balance, beginning of the year	**428,473**	412,125		410,608
Effect of change in tangible capital assets	**48,674**	16,348		1,377
Effect of change in other non-financial assets	**0**	0		140
Net non-financial resources, end of the year (B)	**477,147**	428,473		412,125
ACCUMULATED SURPLUS (A + B)	**599,218**	579,830		577,209

(1) Restated 2008-09 Forecast and 2007-08 Actual to be consistent with the 2009-10 Estimate presentation.

(2) Includes changes in tangible capital assets of Fleet Vehicle Agency, Queen's Printer Agency, Property Management Division, and Road and Airport Equipment Reserve Fund.

FINANCIAL SUMMARY (Cont'd)
($000s)

	2009-10 ESTIMATE	2008-09 FORECAST	% CHANGE	2007-08 ACTUAL
NET EXPENDITURES:				
OPERATION AND MAINTENANCE:				
Gross Expenditures	**762,613**	734,045	4%	667,819
Less: Third-Party Recoveries	**21,487**	20,289	6%	19,821
Less: Recoveries from Canada	**57,660**	43,474	33%	43,065
NET O & M EXPENDITURES	**683,466**	670,282	2%	604,933
CAPITAL:				
Gross Expenditures	**240,618**	226,816	6%	161,450
Less: Third-Party Recoveries	**67,876**	73,688	-8%	52,548
Less: Recoveries from Canada	**22,410**	21,458	4%	12,324
NET CAPITAL EXPENDITURES	**150,332**	131,670	14%	96,578
LOAN INTEREST:				
Gross Expenditures	**0**	0	0%	77
Less: Third-Party Recoveries	**206**	256	-20%	258
NET LOAN INTEREST	**(206)**	(256)	-20%	(181)
LOAN PRINCIPAL:				
Gross Expenditures	**0**	0	0%	3,154
Less: Third-Party Recoveries	**532**	527	1%	566
NET LOAN PRINCIPAL	**(532)**	(527)	1%	2,588
LOAN CAPITAL:				
Gross Expenditures	**5,000**	5,000	0%	0
Less: Third-Party Recoveries	**5,000**	5,000	0%	566
NET LOAN CAPITAL	**0**	0	0%	(566)

BUDGETARY INCOME SUMMARY BY SOURCE

SOURCE	2009-10 ESTIMATE		2008-09 FORECAST		2007-08 ACTUAL	
TERRITORIAL REVENUE						
	$000s	**%**	**$000s**	**%**	**$000s**	**%**
TAX REVENUE						
Personal Income Tax	**51,263**	**5.3**	50,778	5.6	44,606	5.2
Corporate Income Tax	**11,209**	**1.2**	13,303	1.5	12,752	1.5
Property Tax	**3,300**	**0.3**	3,007	0.3	2,784	0.3
Grant-in-Lieu of Property Tax	**150**	**0.0**	142	0.0	140	0.0
Fuel Oil Tax - Diesel	**3,102**	**0.3**	3,080	0.3	2,982	0.3
Fuel Oil Tax - Other	**3,763**	**0.4**	3,462	0.4	3,726	0.4
Insurance Premium Tax	**1,693**	**0.2**	1,551	0.2	1,633	0.2
Tobacco Tax	**11,611**	**1.2**	11,084	1.2	7,245	0.8
Liquor Tax	**3,446**	**0.4**	3,422	0.4	3,311	0.4
	89,537	**9.3**	89,829	9.8	79,179	9.3
OTHER REVENUE						
Liquor Profit	**7,229**	**0.8**	6,590	0.7	6,390	0.7
Investment Income and Other Interest	**1,781**	**0.2**	5,117	0.6	3,361	0.4
Licences, Fees, Registrations and Permits:						
Motor Vehicle	**3,687**	**0.4**	3,776	0.4	4,344	0.5
Game and Campground	**922**	**0.1**	922	0.1	908	0.1
Business and Professional	**2,035**	**0.2**	2,052	0.2	2,306	0.3
Lands, Mines and Forestry	**1,029**	**0.1**	1,715	0.2	1,929	0.2
Other	**909**	**0.1**	944	0.1	1,104	0.1
Oil and Gas Resource Revenue	**715**	**0.1**	1,016	0.1	1,453	0.2
Land and Mineral Leases and Royalties	**162**	**0.0**	148	0.0	292	0.0
Fines	**408**	**0.0**	408	0.0	384	0.0
Gain on Sale of Land	**150**	**0.0**	1,383	0.2	416	0.0
Aviation Operations	**869**	**0.1**	793	0.1	888	0.1
Miscellaneous	**115**	**0.0**	88	0.0	44	0.0
Prior Years' Revenues	**0**	**0.0**	0	0.0	1,488	0.2
	20,011	**2.1**	24,952	2.7	25,307	3.0
Subtotal Territorial Revenue	**109,548**	**11.4**	114,781	12.6	104,486	12.2
TRANSFERS FROM CANADA						
Canada Health Transfer	**26,457**	**2.7**	28,892	3.2	22,109	2.6
Canada Social Transfer	**10,750**	**1.1**	11,309	1.2	9,725	1.1
Other Transfers	**34,001**	**3.5**	35,544	3.9	46,518	5.4
Grant from Canada	**611,707**	**63.6**	564,032	61.7	543,595	63.6
Subtotal Transfers from Canada	**682,915**	**71.0**	639,777	70.0	621,947	72.8

BUDGETARY INCOME SUMMARY BY SOURCE (Cont'd)

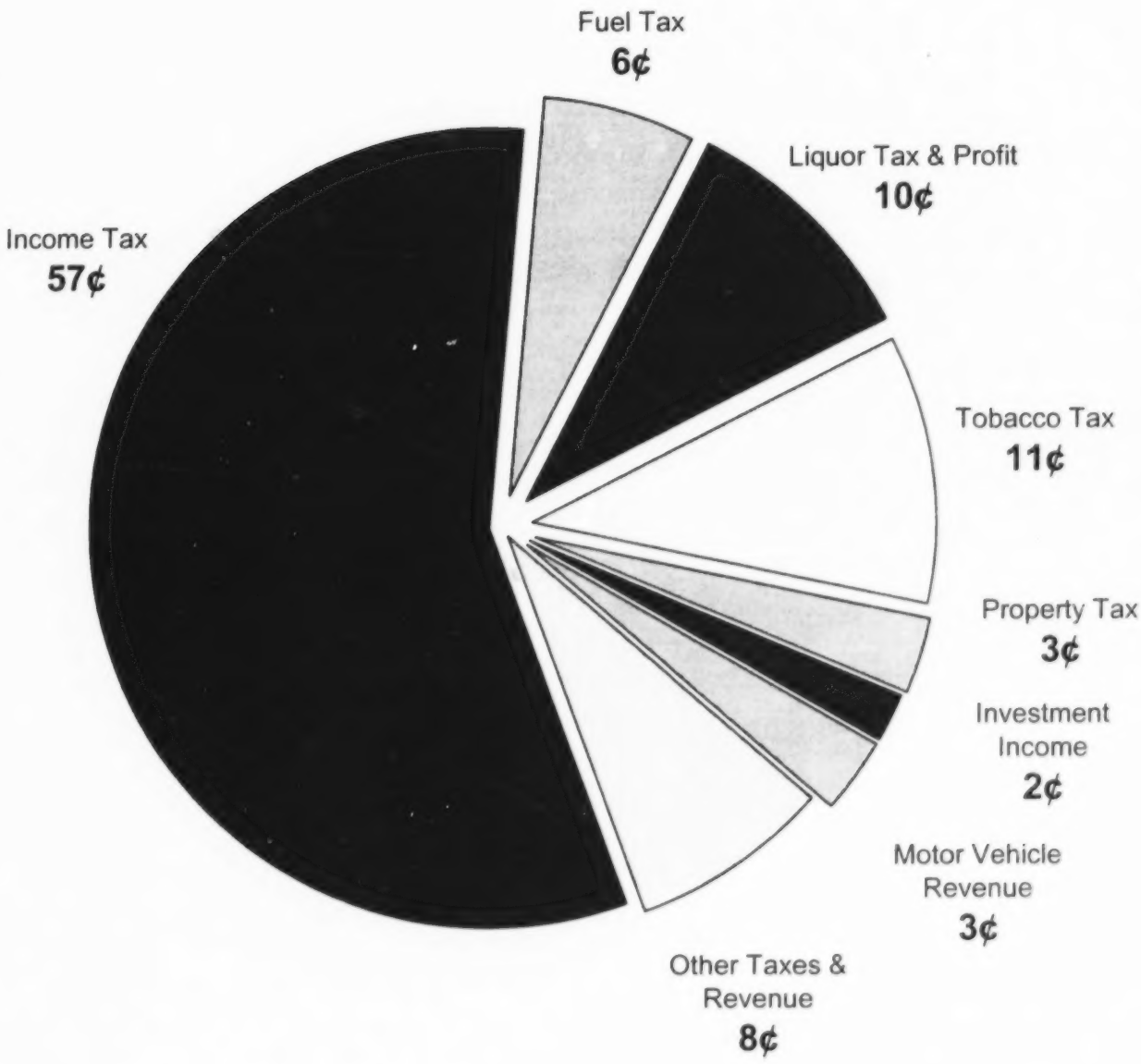
SOURCE	2009-10 ESTIMATE		2008-09 FORECAST		2007-08 ACTUAL	
RECOVERIES	**$000s**	**%**	**$000s**	**%**	**$000s**	**%**
Government of Canada						
Type II Mine Sites	**22,977**	**2.4**	8,219	0.9	7,338	0.9
Child Welfare	**7,557**	**0.8**	7,557	0.8	7,583	0.9
Yukon Housing Corporation	**14,791**	**1.5**	6,085	0.7	5,901	0.7
Municipal Rural Infrastructure Fund	**3,810**	**0.4**	4,665	0.5	2,633	0.3
Canada Strategic Infrastructure Fund	**2,151**	**0.2**	7,681	0.8	4,488	0.5
Land Claims Implementation	**3,254**	**0.3**	3,254	0.4	2,594	0.3
French Language Programs	**2,143**	**0.2**	2,350	0.3	2,341	0.3
French Language Services	**1,755**	**0.2**	1,790	0.2	1,785	0.2
Young Offenders	**1,302**	**0.1**	1,302	0.1	1,464	0.2
Inuvialuit Final Agreement	**966**	**0.1**	952	0.1	932	0.1
Legal Aid	**934**	**0.1**	1,034	0.1	1,160	0.1
Other	**18,430**	**1.9**	20,043	2.2	17,170	2.0
	80,070	**8.3**	64,932	7.1	55,389	6.5
Third-Party Recoveries						
Alaska Highway (Shakwak)	**23,600**	**2.5**	31,464	3.4	29,322	3.4
Land Development	**29,061**	**3.0**	16,859	1.8	10,186	1.2
Yukon Housing Corporation	**17,098**	**1.8**	26,373	2.9	14,656	1.7
French Language Programs	**224**	**0.0**	224	0.0	223	0.0
Third-Party Health Care Costs	**3,274**	**0.3**	2,417	0.3	2,983	0.3
Airports	**1,529**	**0.2**	1,500	0.2	1,517	0.2
Other	**14,783**	**1.5**	15,396	1.7	13,740	1.6
	89,569	**9.3**	94,233	10.3	72,627	8.5
Subtotal Recoveries	**169,639**	**17.6**	159,165	17.4	128,016	15.0
TOTAL BUDGETARY INCOME [1] **(Total Territorial Revenue, Transfers from Canada and Recoveries)**	**962,102**	**100.0**	913,723	100.0	854,449	100.0

(1) Restated 2008-09 Forecast and 2007-08 Actual to be consistent with the 2009-10 Estimate presentation.

GOVERNMENT OF YUKON

TERRITORIAL REVENUE BY SOURCE

2009-10



NOTE: Represents the portion by source of each dollar of locally raised revenue.

OPERATION AND MAINTENANCE AND CAPITAL RECOVERIES
SUMMARY BY DEPARTMENT / CORPORATION
($000s)

DEPARTMENT / CORPORATION	O & M RECOVERIES 2009-10 ESTIMATE	O & M RECOVERIES 2008-09 FORECAST	CAPITAL RECOVERIES 2009-10 ESTIMATE	CAPITAL RECOVERIES 2008-09 FORECAST
Yukon Legislative Assembly	**0**	0	**0**	0
Elections Office	**0**	0	**0**	0
Office of the Ombudsman	**0**	0	**0**	0
Executive Council Office	**3,450**	4,031	**0**	53
Community Services	**4,487**	4,327	**37,493**	30,802
Economic Development	**0**	8	**0**	520
Education	**4,457**	4,736	**0**	0
Energy, Mines and Resources	**23,771**	9,495	**450**	1,427
Environment	**1,380**	1,580	**0**	14
Finance	**16**	16	**0**	0
Health and Social Services	**23,004**	21,321	**600**	1,922
Highways and Public Works	**6,025**	5,290	**29,783**	37,756
Justice	**1,975**	2,437	**0**	0
Public Service Commission	**45**	45	**0**	0
Tourism and Culture	**363**	363	**225**	288
Women's Directorate	**0**	0	**0**	0
Yukon Housing Corporation	**10,174**	10,114	**21,735**	22,364
Total Recoveries	**79,147**	63,763	**90,286**	95,146

Note:
Restated 2008-09 Forecast to be consistent with the 2009-10 Estimate presentation.

MAJOR TERRITORIAL AND PROVINCIAL TAX RATES
March 2009 [1]

	PERSONAL INCOME TAX			CORPORATE INCOME TAX			COMMODITY TAXES			
	BASIC RATE %	TAX BRACKETS (TAX ON INCOME) [2]	HIGH INCOME SURCHARGE % [3]	GENERAL RATE %	SMALL BUSINESS %	MANUFACTURING & PROCESSING %	RETAIL SALES % [4]	TOBACCO ¢/25 cigs	UNLEADED GAS ¢/litre	DIESEL FUEL ¢/litre
Newfoundland	7.70	≤$31,061	--	14.00	5.00	5.00	8.0	450.00	16.5	16.5
	12.80	$31,062 - 62,121								
	15.50	> $62,121								
Prince Edward Island [5]	9.80	≤ $31,984	10.0	16.00	3.20	16.00	10.0	498.75	14.5	19.0
	13.80	$31,985 - 63,969								
	16.70	> $63,969								
New Brunswick	10.12	≤ $35,707	--	13.00	5.00	13.00	8.0	293.75	10.7	16.9
	15.48	$35,708 - 71,415								
	16.80	$71,416 - 116,105								
	17.95	>$116,105								
Nova Scotia	8.79	≤ $29,590	10.0	16.00	5.00	16.00	8.0	413.00	15.5	15.4
	14.95	$29,591 - 59,180								
	16.67	$59,181 - 93,000								
	17.50	>$93,000								
Quebec	16.00	≤ $37,500	--	16.25/11.90	8.00	11.90	7.5	257.50	15.2	16.2
	20.00	$37,501 - 75,000								
	24.00	> $75,000								
Ontario	6.05	≤ $36,848	20.0/36.0	14.00	5.50	12.00	8.0	308.75	14.7	14.3
	9.15	$36,849 - 73,698								
	11.16	> $73,698								
Manitoba [6]	10.80	≤$31,000	--	13.00	1.00	13.00	7.0	437.50	11.5	11.5
	12.75	$31,001 - 67,000								
	17.40	> $67,000								
Saskatchewan [7]	11.00	≤$40,113	--	12.00	4.50	10.00 - 12.00	5.0	457.50	15.0	15.0
	13.00	$40,114 - 114,610								
	15.00	> $114,610								
Alberta	10.00	all income	--	10.00	3.00	10.00	--	462.50	9.0	9.0
British Columbia [8]	5.06	≤$35,716	--	11.00	2.50	11.00	7.0	462.50	14.5	15.0
	7.70	$35,717 - 71,433								
	10.50	$71,434 - 82,014								
	12.29	$82,015 - 99,588								
	14.70	> $99,588								
Northwest Territories [9]	5.90	≤$36,885	--	11.50	4.00	11.50	--	525.00	10.7/6.4	9.1
	8.60	$36,886 - 73,772								
	12.20	$73,773 - 119,936								
	14.05	>$119,936								
Nunavut [10]	4.00	≤$38,832	--	12.00	4.00	12.00	--	525.00	10.7/6.4	9.1
	7.00	$38,833 - 77,664								
	9.00	$77,665 - 126,264								
	11.50	>$126,264								
Yukon	7.04	≤$38,832	5.0	15.00	4.00	2.50	--	525.00	6.2	7.2
	9.68	$38,833 - 77,664								
	11.44	$77,665 - 126,264								
	12.76	>$126,264								

Notes to Table:

(1) Rate changes may have occurred since the time of the survey (March 2009). Reference should be made to each jurisdiction's Department of Finance to determine current rates or upcoming rate changes.

(2) Income tax brackets are indexed using the Consumer Price Index in Newfoundland, New Brunswick, Saskatchewan, Northwest Territories, Nunavut and Yukon. Income tax brackets are indexed using the provincial rate of inflation in Quebec, Ontario and British Columbia.

(3) The following jurisdictions levy a surcharge on personal income tax:
Prince Edward Island - 10% of provincial tax in excess of $12,500
Nova Scotia - 10% of provincial tax in excess of $10,000
Ontario - 20% of provincial tax in excess of $4,257 and 36% of provincial tax in excess of $5,370
Yukon - 5% of territorial tax in excess of $6,000

(4) Provincial share of Harmonized Sales Tax for Newfoundland, New Brunswick, and Nova Scotia.

(5) Prince Edward Island - Small business rate will be reduced to 2.1% April 1, 2009 and to 1% April 1, 2010. Tax rate for both gas and diesel includes 10.7% tax on the estimated wholesale price (to maximum of 8.7 cents/litre). The flat rate component is 11.5 cents/litre for diesel and 7.1 cents/litre for gasoline, plus 10.7% ad valorem component. The tax rate changes on the first day of each month. The rate listed above is for March 2009.

(6) Manitoba - General Corporate Income Tax rate will decrease to 12% effective July 1, 2009.

(7) Saskatchewan - Manufacturing and Processing rate is a sliding rate based on proportion of Manufacturing and Processing activity occurring in Saskatchewan.

(8) British Columbia - Effective January 1, 2010, the general Corporate Income Tax rate will decrease to 10.5% and to 10% effective January 1, 2011.

(9) Northwest Territories has two tax rates for gasoline - for highway usage (10.7) and for off-highway usage (6.4). The 6.4 rate applies for communities not served by the highway system. Effective April 1, 2009 tobacco tax will increase to 665 cents/25 cigarettes.

(10) Nunavut has two tax rates for gasoline - for highway usage (10.7) and for off-highway usage (6.4). The 6.4 rate applies for communities not served by the highway system.

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TOTAL EXPENDITURES BY DEPARTMENT / CORPORATION [1]

DEPARTMENT / CORPORATION	2009-10 ESTIMATE		2008-09 FORECAST		2007-08 ACTUAL	
	$000s	**%**	**$000s**	**%**	**$000s**	**%**
Yukon Legislative Assembly	**5,503**	**0.5**	6,203	0.6	3,212	0.4
Elections Office	**362**	**0.0**	365	0.0	256	0.0
Office of the Ombudsman	**534**	**0.1**	529	0.1	530	0.1
Executive Council Office	**25,405**	**2.5**	26,614	2.8	44,543	5.4
Community Services	**122,807**	**12.2**	119,489	12.4	82,273	9.9
Economic Development	**16,087**	**1.6**	17,823	1.9	14,375	1.7
Education	**128,172**	**12.8**	127,827	13.3	122,321	14.8
Energy, Mines and Resources	**58,159**	**5.8**	43,819	4.6	40,683	4.9
Environment	**28,133**	**2.8**	29,802	3.1	24,579	3.0
Finance	**7,202**	**0.7**	6,739	0.7	6,188	0.7
Health and Social Services	**238,041**	**23.7**	234,260	24.4	207,227	25.0
Highways and Public Works	**194,251**	**19.4**	188,046	19.6	155,978	18.8
Justice	**75,196**	**7.5**	53,562	5.6	45,452	5.5
Public Service Commission	**36,101**	**3.6**	29,608	3.1	32,857	4.0
Tourism and Culture	**23,324**	**2.3**	22,640	2.4	20,942	2.5
Women's Directorate	**1,245**	**0.1**	1,209	0.1	1,164	0.1
Yukon Development Corporation	**4,250**	**0.4**	10,750	1.1	0	0.0
Yukon Housing Corporation	**38,459**	**3.8**	41,576	4.3	26,689	3.2
Yukon Liquor Corporation	**one dollar**	**0.0**	one dollar	0.0	0	0.0
Total Expenditures	**1,003,231**	**100.0**	960,861	100.0	829,269	100.0

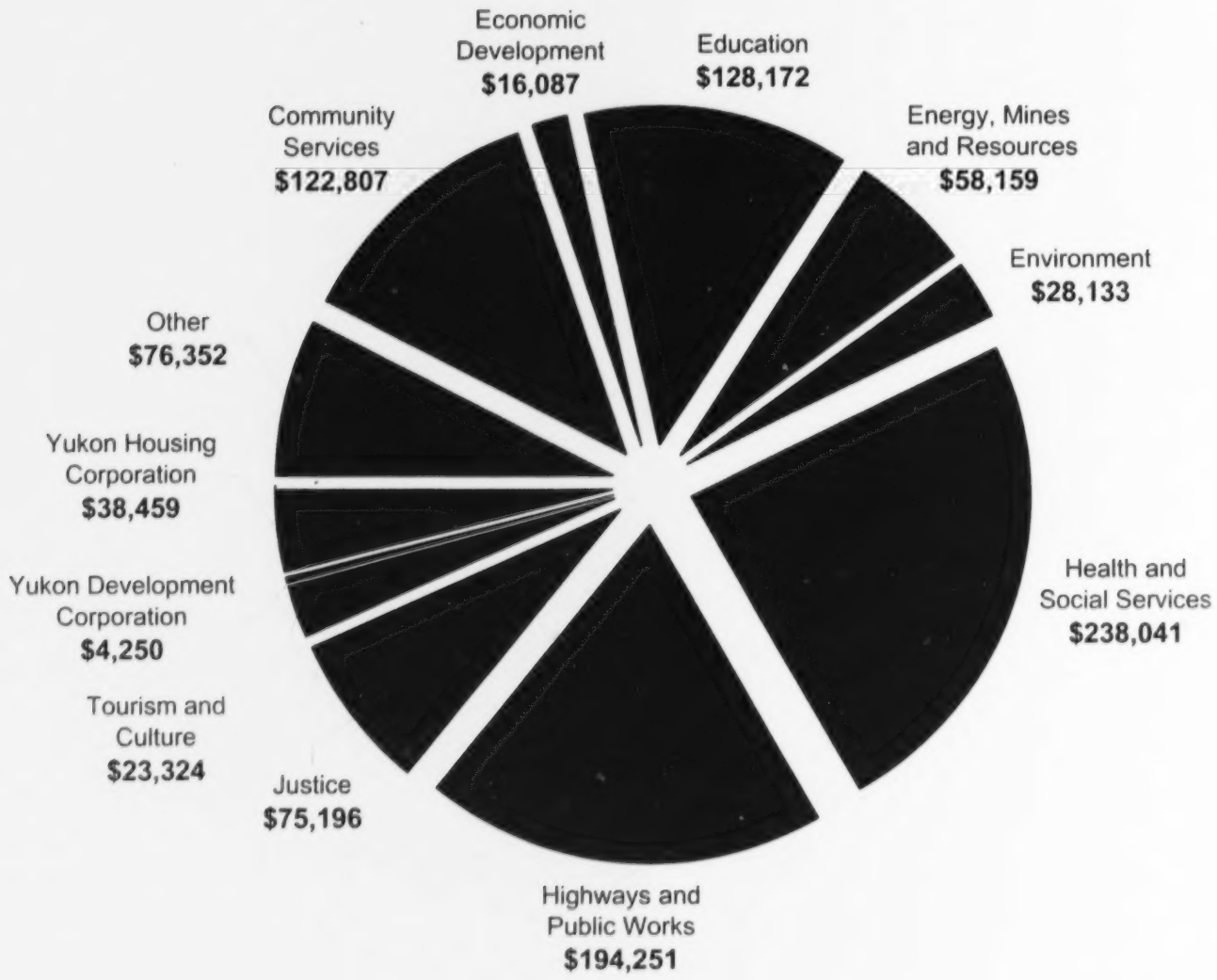
(1) Restated 2008-09 Forecast and 2007-08 Actual to be consistent with the 2009-10 Estimate presentation.

GOVERNMENT OF YUKON

O&M and CAPITAL EXPENDITURES BY DEPARTMENT

2009-10 BUDGET

$ THOUSANDS



"Other" includes Yukon Legislative Assembly, Elections Office, Office of the Ombudsman, Executive Council Office, Finance, Public Service Commission, Women's Directorate and Yukon Liquor Corporation.

OPERATION AND MAINTENANCE [1]
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION

DEPARTMENT / CORPORATION	2009-10 ESTIMATE		2008-09 FORECAST		2007-08 ACTUAL	
	$000s	**%**	**$000s**	**%**	**$000s**	**%**
Yukon Legislative Assembly	**5,403**	**0.7**	6,065	0.8	3,190	0.5
Elections Office	**357**	**0.0**	360	0.0	251	0.0
Office of the Ombudsman	**532**	**0.1**	524	0.1	527	0.1
Executive Council Office	**25,156**	**3.3**	26,335	3.6	18,572	2.8
Community Services	**62,718**	**8.2**	61,963	8.4	59,159	8.9
Economic Development	**6,996**	**0.9**	6,463	0.9	6,180	0.9
Education	**119,782**	**15.7**	117,832	16.1	112,340	16.8
Energy, Mines and Resources	**53,121**	**7.0**	39,261	5.3	36,862	5.5
Environment	**26,296**	**3.4**	27,773	3.8	22,176	3.3
Finance	**7,160**	**0.9**	6,671	0.9	6,101	0.9
Health and Social Services	**229,246**	**30.1**	226,128	30.8	199,444	29.9
Highways and Public Works	**102,942**	**13.5**	101,499	13.8	95,380	14.3
Justice	**52,326**	**6.9**	49,675	6.8	43,933	6.6
Public Service Commission	**36,051**	**4.7**	29,525	4.0	32,795	4.9
Tourism and Culture	**19,242**	**2.5**	18,494	2.5	17,132	2.6
Women's Directorate	**1,239**	**0.2**	1,204	0.2	1,157	0.2
Yukon Development Corporation	**one dollar**	**0.0**	one dollar	0.0	0	0.0
Yukon Housing Corporation	**14,046**	**1.8**	14,273	1.9	12,620	1.9
Yukon Liquor Corporation	**one dollar**	**0.0**	one dollar	0.0	0	0.0
Total Expenditures	**762,613**	**100.0**	734,045	100.0	667,819	100.0

(1) Restated 2008-09 Forecast and 2007-08 Actual to be consistent with the 2009-10 Estimate presentation.

CAPITAL [1]
EXPENDITURE SUMMARY BY DEPARTMENT / CORPORATION

DEPARTMENT / CORPORATION	2009-10 ESTIMATE		2008-09 FORECAST		2007-08 ACTUAL	
	$000s	**%**	**$000s**	**%**	**$000s**	**%**
Yukon Legislative Assembly	**100**	**0.0**	138	0.1	22	0.0
Elections Office	**5**	**0.0**	5	0.0	5	0.0
Office of the Ombudsman	**2**	**0.0**	5	0.0	3	0.0
Executive Council Office	**249**	**0.1**	279	0.1	25,971	16.1
Community Services	**60,089**	**25.0**	57,526	25.4	23,114	14.3
Economic Development	**9,091**	**3.8**	11,360	5.0	8,195	5.1
Education	**8,390**	**3.5**	9,995	4.4	9,981	6.2
Energy, Mines and Resources	**5,038**	**2.1**	4,558	2.0	3,821	2.4
Environment	**1,837**	**0.8**	2,029	0.9	2,403	1.5
Finance	**42**	**0.0**	68	0.0	87	0.1
Health and Social Services	**8,795**	**3.7**	8,132	3.6	7,783	4.8
Highways and Public Works	**91,309**	**37.9**	86,547	38.2	60,598	37.5
Justice	**22,870**	**9.5**	3,887	1.7	1,519	0.9
Public Service Commission	**50**	**0.0**	83	0.0	62	0.0
Tourism and Culture	**4,082**	**1.7**	4,146	1.8	3,810	2.4
Women's Directorate	**6**	**0.0**	5	0.0	7	0.0
Yukon Development Corporation	**4,250**	**1.8**	10,750	4.7	0	0.0
Yukon Housing Corporation	**24,413**	**10.1**	27,303	12.0	14,069	8.7
Total Expenditures	**240,618**	**100.0**	226,816	100.0	161,450	100.0

(1) Restated 2008-09 Forecast and 2007-08 Actual to be consistent with the 2009-10 Estimate presentation.

MAIN ESTIMATES

HISTORICAL COMPARISON

($000s)

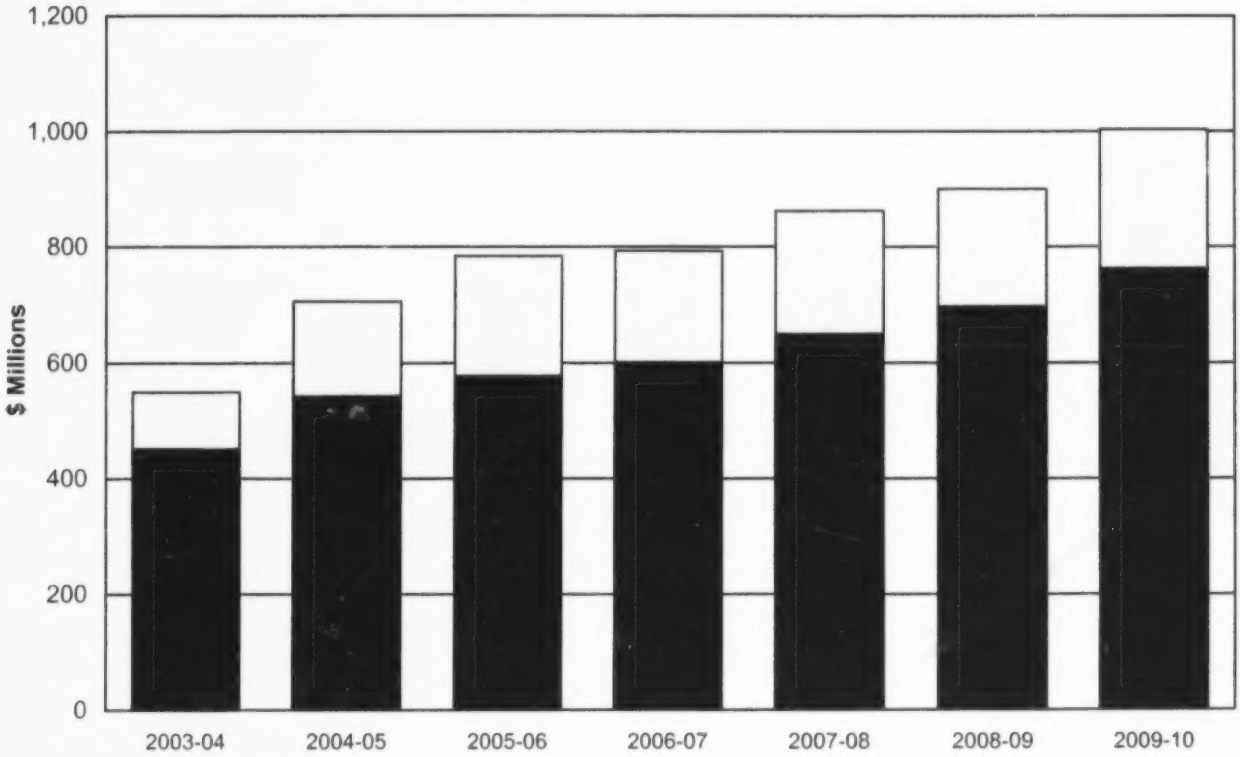
	OPERATION & MAINTENANCE	CAPITAL	TOTAL
2009-10	**762,613**	**240,618**	**1,003,231**
2008-09	696,978	202,777	899,755
2007-08	649,406	212,328	861,734
2006-07	601,301	191,702	793,003
2005-06	577,663	206,420	784,083
2004-05	543,104	162,654	705,758
2003-04	451,326	98,693	550,019
2002-03	446,635	118,177	564,812
2001-02	428,188	106,963	535,151
2000-01	392,801	109,580	502,381
1999-00	384,217	94,314	478,531
1998-99	370,360	70,598	440,958
1997-98	363,363	88,583	451,946
1996-97	346,821	124,925	471,746
1995-96	343,735	145,112	488,847
1994-95	346,210	121,724	467,934

Note: These figures reflect the voted expenditures as per the estimates for the relevant year and have not been restated for purposes of comparison.

GOVERNMENT OF YUKON

O & M and CAPITAL EXPENDITURES

2003-04 TO 2009-10



NOTE: These figures reflect the voted expenditures as per the Main Estimates for the relevant year and have not been restated for purposes of comparison.

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